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International residual mechanism for criminal tribunals

Proposed programme budget for the biennium 2012-2013

Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Financing of the International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991

Revised estimates: effect of changes in rates of exchange and inflation

Twenty-third report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2012-2013

Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the effect of changes in rates of exchange and inflation on the proposed programme budget for the biennium 2012-2013 (A/66/614) and on the proposed budgets of the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals for the biennium 2012-2013 (A/66/605). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information.

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Effect of changes in rates of exchange and inflation on the proposed programme budget for the biennium 2012-2013 (A/66/614)

2. The impact of the proposed recosting on the proposed programme budget for the biennium 2012-2013 is an amount of $27,650,100, under the expenditure sections, from $5,359,671,000 (if the recommendations of the Advisory Committee were to be applied) to $5,387,321,100, and a decrease of $69,879,200 under income sections 1 to 3 of the proposed programme budget, from $612,487,100 (if the recommendations of the Committee were to be applied) to $542,607,900. The revised requirements under the expenditure sections of $5,387,321,100 reflect the combined effect of recommendations of the Advisory Committee in documents A/66/7 and Corr.1 and Add.1-7, 10, 14 and 17, which would result in reduction in requirements totalling $24,869,100; an increase of $116,239,000 resulting from revised exchange-rate assumptions; an increase of $66,977,400 related to revised inflation assumptions; a decrease of $74,727,000 due to adjustments in standard salary costs; and a decrease of $80,839,300 resulting from the recommendation of the International Civil Service Commission (ICSC) for a reduction in staff assessment.

3. As noted in paragraph 4 of the report of the Secretary-General, the indicative inclusion of the effect of applying the recommendations of the Advisory Committee is provided without prejudice to decisions yet to be made by the General Assembly on those recommendations. In addition, the impact of the recommendations of the Committee on the report of the Secretary-General on the revised estimates resulting from resolutions and decisions adopted by the Human Rights Council at its sixteenth, seventeenth and eighteenth sessions and its fifteenth, sixteenth and seventeenth special sessions (A/66/586), which was under consideration by the Committee at the time of preparation of the report of the Secretary-General, are not included in the recosting estimate.

Effect of changes in rates of exchange and inflation on the proposed budgets of the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for Criminal Tribunals for the biennium 2012-2013 (A/66/605)

4. The recosting reflected in the report of the Secretary-General on the effect of changes in rates of exchange and inflation on the proposed budgets of the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the International Residual Mechanism for the biennium 2012-2013 (A/66/605) reflects the impact of the updated projections for inflation, the effect of the evolution of operational rates of exchange in 2011, adjustments to common staff costs based on experience and the impact of the recommendation of ICSC to reduce staff assessment.

5. After recosting, the resource requirements for the Tribunals for the biennium 2012-2013, as proposed by the Secretary-General and taking into account the recommendations of the Advisory Committee, would amount to $181,777,100 gross for the International Criminal Tribunal for Rwanda (a decrease of $1,547,800), $287,594,000 gross for the International Tribunal for the Former Yugoslavia (an increase of $4,707,000) and $53,793,300 for the International Residual Mechanism

for Criminal Tribunals (a decrease of $1,258,100). The relative impact of the four recosting parameters on each of the proposed budgets is indicated in the summary table in paragraph 3 of the report of the Secretary-General.

6. As indicated in paragraph 2 of the report of the Secretary-General, the recosting is based on the data available as at December 2011, which, it is stated, is consistent with the views of the Advisory Committee that the recosting exercise reflects the operational rates of exchange as would allow for the lowest estimates.

Conclusion

7. **The Advisory Committee has no objection to the revised estimates of the Secretary-General arising from the recosting of the effect of changes in rates of exchange and inflation as reflected in his reports (A/66/614 and A/66/605) and, accordingly, transmits them to the General Assembly for consideration.**

8. The Advisory Committee recalls that in paragraph 52 of its resolution 64/243, the General Assembly requested the Secretary-General to report on options for protecting the United Nations against fluctuations in exchange rates and inflation, drawing on the experience of other organizations of the United Nations system. **In its report on the second performance report on the programme budget for the biennium 2010-2011, the Advisory Committee expressed the view that the Secretary-General, in presenting an option for dealing with currency fluctuations, has not responded comprehensively to that request. Accordingly, in that report, the Committee recommended that the General Assembly request the Secretary-General to report comprehensively on alternative options for the recosting methodology, including an analysis of the risks and resource requirements of each option (see A/66/611, para. 34).**